

WALL STREET NEWS

New York Central Increases Dividend Rate.

OTHER NEWS ENCOURAGING

Favorable Developments Come With Largest Day's Business Since February 8—Prosperity in Industrial Lines Also Indicated—Purchases by Investors Aids Bond Market.

New York, March 9.—News of market importance and developments of a strictly financial character were more abundant to-day than on any previous day of the month, and generally these market factors were much more favorable. Nevertheless in the afternoon the market, after a buoyant advance to the accompaniment of enthusiastic trading, sold off more sharply and became softer than on any previous day since there set in the long advance following the big break early in January.

By a curious coincidence the turnover was in excess of 1,000,000 shares for the first time since February 8, when stocks sold at the low prices of the month, and this coincidence was made all the more striking for the reason that the day's favorable developments were as numerous as were the unfavorable developments and opinions then.

Increases Dividend Rate.
By far the most conspicuous of these favorable developments was the increase of the New York Central's annual dividend rate from 5 to 6 per cent, which undoubtedly had the greatest stimulating effect upon the trading. By speculators the dividend was unexpected, for it had been forecasted or predicted very little in the street rumors and reports for the previous week.

But the published statements of earnings for several months past have fully disclosed the ability of the management to increase the dividend rate without devaluing a particle from the solid conservation policy long pursued, and the increases of dividend subsidiary companies have so added to the company's income that its dividend could be increased without taking a penny from the operating expenses.

The company's income from the extra dividend declared by the Lake Shore and Michigan Southern last week is of itself sufficient to meet the additional payment caused by the increase of dividend by the dominant company. The increase was thus regarded as all the more favorable since it could not be subjected to the criticism that the management was diverting earnings of the railroad from the money required for the important improvement work which is under way. As an expression of confidence in the future by very able and conservative financiers the action of the New York Central directors was also considered noteworthy.

Industrials Also Advance.
And as their action indicated the prosperity of the railroad business, so the annual reports of the American Tobacco Company and the Sloss-Sheffield Steel and Iron Company indicated as abundant prosperity in industrial lines. The former showed an increase of \$174,000 in net earnings over 1908, and earnings equal to 50 per cent on the common stock as compared with 47 per cent in the previous year, while Sloss-Sheffield reported earnings equal to 63 per cent on the common stock as compared with 43 per cent in the previous year. Western Union earnings, as officially estimated for the current quarter, were also considerably in excess of those for the corresponding quarters last year.

That these and other minor demonstrations of the earning power of the big corporations were appreciated by investors was shown not only by the heavy purchases of stocks, but by a decided advance in the bond market. An offering of Jamestown, Franklin and Clearfield bonds, which are guaranteed by the Lake Shore, was absorbed two hours after the sale was opened.

GOVERNMENT BONDS.

New York, March 9.—Bid and asked prices on government securities:

Reserve fund—	
Gold coin and bullion.....	\$150,000,000 00
Trust funds held for redemption of outstanding notes and certificates:	